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BIWEEKLY REPORT

**AID AND TRADE ACTIVITIES
OF COMMUNIST COUNTRIES
IN LESS DEVELOPED AREAS
OF THE FREE WORLD**

EIC WGR 1/212

23 March 1964

**PREPARED BY THE WORKING GROUP
ON COMMUNIST AID AND TRADE ACTIVITIES
IN LESS DEVELOPED AREAS OF THE FREE WORLD**

ECONOMIC INTELLIGENCE COMMITTEE

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Summary of Events
6-19 March 1964

Western oil companies operating in Ghana are concerned that Ghana will insist that all future imports of crude oil for the Tema refinery be of Soviet origin.

During his recent visit to Ghana, Chinese Premier Chou En-lai reportedly agreed to extend a credit of \$22.4 million. No formal document recording the offer was signed, however, and the matter was left with a vague understanding that an agreement would be formulated at an unspecified future date when a list of projects is determined.

On 7 March a Soviet economic assistance team arrived in Uganda to discuss development projects suitable for Soviet technical assistance. Three days later, Uganda and Czechoslovakia signed a scientific and technical cooperation agreement.

On 3 March, Cambodia announced that the USSR had informed Sihanouk of the grant of new military aid. Delivery of the previous grant of Chinese military equipment apparently was completed during the first week of March.

A team of 30 Soviet military officers has arrived in Indonesia, possibly to evaluate the progress of the Soviet military aid program. By assessing the ability of the Indonesian armed forces to integrate and to maintain Soviet equipment, the USSR will be better able to judge future Indonesian requests for military assistance.

Brazilian officials have stated that Communist China will be permitted to hold trade fairs in Niteroi and Belo Horizonte from April through August. Hungary will hold an exposition of industrial goods in Sao Paulo beginning in March.

Brazil is reported to have ordered 125,000 metric tons of railroad track from Poland. This order is in addition to an earlier contract for 50,000 metric tons signed under the provisions of the \$70 million Polish credit of December 1962.

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The first shipment of an anticipated total of 1,000 Soviet jeep-type GAZ vehicles has arrived in Colombia. This delivery may signal the expansion of trade relations between the two countries that up to now have been negligible.

The USSR reportedly has indicated that Cyprus can obtain Soviet financial assistance, but no official offer has been extended.

An Iraqi military mission is scheduled to visit the USSR to discuss the acquisition of additional Soviet military equipment. Iraq is reported to have asked for a new military credit of about \$33 million.

A recent agreement extends \$8.6 million in Soviet economic aid for the development of fishing in the United Arab Republic. The USSR will provide technical assistance, 10 automated fishing trawlers, and processing facilities at Ra's Banas on the Red Sea.

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